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NSC BRIEFING

17 June 1954

INDOCHINA

- Military picture delta little changed,
 but Viet Minh readiness believed complete.
 - A. National Intelligence Estimate, for 30 days ending 15 July, concludes Viet Minh will increase delta operations, possibly committing battle corps, to push back French, demoralize Vietnamese and cut LOC Hanoi-Haiphong.
 - B. French will be able hold key strong points, keep LOC open part-time. HANOI stocks RICE a COAL = 20 DAYS requirements.
 - C. In face major attack, however, French might evacuate Hanoi, fall back to Haiphong, which could almost certainly hold.

NSA review completed

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- E. French report two Viet Minh intelligence companies
- operating northeast, northwest of Hanoi; could be preliminary to operations.
- F. French note new grouping enemy units south Hanoi-Haiphong
 LOC; pattern indicates early action against these routes.
- III. French apprehensive of attack but claim no conclusive evidence enemy intent. Says enemy stockpiles rear areas sufficient for initial stages attack.
 - A. Nearness China border would permit resupply sustain large-scale offensive.

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- B. French expect early increase
 Chinese aid (now close 3,000
 tons per month).
- IV. Vietnamese morale, important determinant enemy course of action, very low.
 - A. desertions

 Vietnamese army units, militia

 in Delta highest yet.
 - Fear for safety of families
 in areas where Viet Minh
 consolidating control a
 major cause desertions.
 - B. Prospects early Viet Minh military or diplomatic victory lessening weak support Vietnamese for government, army.
 - C. Only three percent delta villages loyal to French.

CONTINUES

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- D. Other instances sagging morale:

 mutiny Vietnamese army mobile

 group stationed in Central

 Vietnam; anti-conscription

 rioting south Saigon; rioting

 at Vietnamese naval academy.
- V. Meanwhile, Governor Tri says Ely evasive on French plans for delta.
 - A. Tri fears evacuation Hanoi, possible plans abandon people southern delta.
 - B. Ely's evasiveness typical uneasy French-Vietnamese relaionship.

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